

BellSouth responds by claiming that this case is a simple example of ordinary start-up problems, which were promptly corrected and which might have been avoided altogether if ACSI had worked with BellSouth more extensively prior to submitting its first orders. However,

BellSouth was and is completely unprepared to fulfill orders in commercially feasible volumes and with a commercially acceptable level of quality and accuracy.

attached at App. 7.<sup>1</sup>

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<sup>1</sup> Documents relevant to this case are attached as an Appendix hereto. Documents in the Appendix will be cited as "App. \_\_\_\_".

The Commission must act quickly and decisively to correct the problems BellSouth is either unwilling or unable to correct itself, to give ACSI a reasonable opportunity to compete with Bellsouth, and to make ACSI whole for the damage it has suffered to date.

## **I. STATEMENT OF FACTS**

### **A. The Parties**

ACSI, through its local exchange operating subsidiaries, is authorized to provide dedicated local exchange services in 14 states and switched local exchange service in 11 states, including 8 states in the BellSouth region. Stipulation ¶ 1, App. 5.<sup>2</sup> ACSI operates a total of 21 fiber optic networks throughout the Southern and Southwestern United States and has 36 such networks under construction. *Id.* ¶ 4.

ACSI's first operational fiber optic network providing switched local exchange services is located in Columbus, Georgia, a location within BellSouth's local exchange operating territory. *Id.* ¶ 5. Other switches in service in the BellSouth region include Louisville, Kentucky and Montgomery, Alabama. Third Declaration of Brenda Renner ¶ 8 ("Renner Dec."), App. 1.

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<sup>2</sup> All cites to the Stipulation are to the "Stipulated Facts" section, beginning on p. 6, of the parties' Joint Statement of Stipulated and Disputed Facts and Legal Issues.

BellSouth is a Bell Operating Company ("BOC") as defined in 47 U.S.C. § 153(35) and a wholly-owned subsidiary of BellSouth Corporation, a regional Bell holding company. Stipulation ¶ 6. It provides switched local exchange and other telecommunications services in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. *Id.* ¶ 7. In those markets in which it operates, BellSouth is an incumbent LEC as defined in 47 U.S.C. § 251(h). BellSouth is the incumbent LEC in Columbus, Georgia. *Id.* ¶ 8.

**B. The ACSI-BellSouth Interconnection Agreement and its Implementation**

**1. The Interconnection Agreement**

On July 25, 1996, ACSI and BellSouth entered into an Interconnection Agreement setting forth the terms and conditions for BellSouth's provision of interconnection, unbundled network elements, and local traffic exchange services, and expressly acknowledging that certain pricing issues would be submitted for arbitration before the state commissions. *See*, App. 4 (attaching excerpts from the Interconnection Agreement).<sup>3</sup> In August 1996, ACSI filed petitions for arbitration with several state commissions in the BellSouth region, seeking a ruling on these unbundling and pricing issues. On October 17, 1996, before the arbitration proceedings were completed, ACSI and BellSouth signed an Amendment ("Amendment") to the Interconnection Agreement, which resolved all outstanding issues raised in the arbitrations. Stipulation ¶ 12.

The Interconnection Agreement between ACSI and BellSouth, including the Amendment, has been approved by the Georgia Public Service Commission ("PSC") and

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<sup>3</sup> The entire Interconnection Agreement is appended as Exhibit A to ACSI's formal complaint in this proceeding.

service disruptions to affected end users, and in all cases on parity with service levels BellSouth provides to itself or its own customers.

## **2. Preparation for the Submission of Live Orders**

Both the terms of the Interconnection Agreement itself and the course of dealing between the parties display a common understanding and intent that the provisioning of unbundled loops begin as soon as practicable after approval of the Agreement. Section XVIII of the Interconnection Agreement, entitled "Implementation of Agreement," provides, "The Parties agree that within 30 days of the execution of this Agreement they will adopt a schedule for the implementation of this Agreement. The schedule shall state with specificity, ordering, testing, and full operational time frames. The implementation shall be attached to this Agreement as an addendum and specifically incorporated herein by this reference."

Although BellSouth never requested that the parties develop a formal implementation schedule, BellSouth Response to ACSI Interrogatory No. 10, App. 6, ACSI began addressing these issues even before the Agreement was completed. On July 9, 1996, Paul Kingman of ACSI sent a letter to Pinky Reichert of BellSouth requesting collocation arrangements for Columbus, Georgia; Montgomery, Alabama; and Louisville, Kentucky. Kingman Letter, App. 8. Mr. Kingman informed BellSouth that ACSI intended to have these switches "installed, tested, and in use by year-end." *Id.*<sup>4</sup>

Between the date of its Interconnection Agreement and the submission of its first orders in Columbus, Georgia, ACSI had ongoing discussions with each of the contact

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<sup>4</sup> Indeed, the collocation in Columbus, Georgia was scheduled at that time for July 18, 1996. *Id.*

other state commissions in the BellSouth region pursuant to Section 252(e)(1) of the Act, 47 U.S.C. § 252(e)(1). Stipulation ¶ 13.

The relevant provisions of the Interconnection Agreement are as follows:

- (a) with respect to order processing, Section IV.C.2 of the Interconnection Agreement provides, in relevant part, "Order processing for unbundled loops shall be mechanized, in a form substantially similar to that currently used for the ordering of special access services. Automated interfaces shall be provided into a centralized operations support system database for determining service availability on loops . . . , confirmation of order acceptance and ongoing order status."
- (b) with respect to provisioning, Section IV.C.8 of the Interconnection Agreement provides, in relevant part, "BellSouth will install unbundled loops . . . by the Customer Due Date ("CDD") where facilities permit."
- (c) with respect to the conversion of exchange service to network elements, Section IV.D.1 of the Interconnection Agreement provides, "Installation intervals must be established to ensure that service can be established via unbundled loops in an equivalent timeframe as BellSouth provides services to its own customers, as measured from the date upon which BellSouth receives the order to the date of customer delivery."
- (d) with respect to the conversion of exchange service to network elements, Section IV.D.2 of the Interconnection Agreement provides, "On each unbundled network element order in a wire center, ACSI and BellSouth will agree on a cutover time at least 48 hours before that cutover time. The cutover time will be defined as a 30-minute window within which both the ACSI and BellSouth personnel will make telephone contact to complete the cutover."

(e) with respect to the conversion of exchange service to network elements, Section IV.D.3 of the Interconnection Agreement provides, "Within the appointed 30-minute cutover time, the ACSI contact will call the BellSouth contact designated to perform cross-connection work and when the BellSouth contact is reached in that interval, such work will be promptly performed."

(f) with respect to the conversion of exchange service to network elements, Section IV.D.6 of the Interconnection Agreement provides, "The standard time expected from disconnection of a live Exchange Service to the connection of the unbundled element to the ACSI collocation arrangement is 5 minutes."

(g) with respect to the conversion of exchange service to network elements, Section IV.D.7 of the Interconnection Agreement provides, "If unusual or unexpected circumstances prolong or extend the time required to accomplish the coordinated cut-over, the Party responsible for such circumstances is responsible for the reasonable labor charges of the other Party."

(h) with respect to the conversion of exchange service to network elements, Section IV.D.8 of the Interconnection Agreement provides, "If ACSI has ordered Service Provider Number Portability (SPNP) as part of an unbundled loop installation, BellSouth will coordinate implementation of SPNP with the loop installation."

(i) with respect to service quality, Section IV.E.3 of the Interconnection Agreement provides, "Installation and service intervals shall be the same as when BellSouth provisions such network elements for use by itself, its affiliates or its own retail customers."

Taken in combination, these contract terms require BellSouth to provision unbundled local loops at ACSI's request in an expeditious and efficient fashion, without causing undue

persons designated by BellSouth for implementation of the Interconnection Agreement.

Renner Dec. ¶ 3. These discussions addressed all of the issues necessary for ACSI to interconnect with BellSouth and begin ordering unbundled loops. ACSI worked with BellSouth's Vic Atherton regarding network trunking issues, Gloria Calhoun regarding loop provisioning and RCF processing, Stephanie Reardon regarding settlement and billing processes, Sid Conn and Val Sapp regarding 911 coordination issues, operator service issues, and directory assistance, and Stephanie Cowart, Jane Rauleson, and Jim Linthicum regarding call processing, traffic exchange and billing processes. *Id.* ACSI further held related telephonic or in-person meetings with BellSouth representatives on dozens of occasions, including the following:

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|------------|--|
| 6/7/96     | Conference call with Vic Atherton regarding network interconnection trunking.  |
| 6/11/96    | Conference call with Stephanie Reardon regarding alternate bill and third party processes.   |
| 6/21/96    | Conference call with Gloria Calhoun regarding unbundled loops and RCF processing.  |
| 7/8/96     | Conference call with Stephanie Reardon regarding Settlement and Billing processes.   |
| 8/13-14/96 | Two day meeting at ACSI regarding BellSouth Call Flow Overview. Representatives from BellSouth included Stephanie Cowart, Jane Rauleson, Jim Linthicum. Discussions concerned call processing, traffic exchange and billing processes. |
| 8/22/96    | Conference call with Gloria Calhoun to discuss LCSC processes specific to INP and unbundled loop orders.   |

9/12/96      Conference call with Sid Conn regarding BellSouth LIDB process  
overview.<sup>5</sup>

*Id.* ¶ 4.

BellSouth's internal documents confirm that it knew ACSI intended to process live orders as soon as possible, and in no event later than the end of 1996.

App. 9.

App.

10.

During August 1996, it became apparent that                      complete date would not  
be feasible, but the parties continued to work toward an implementation date as soon as  
possible.

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<sup>5</sup> In addition, a consultant employed on ACSI's behalf had several conference calls and meetings with Sid Conn, Val Sapp and other BellSouth personnel throughout July and August 1996 to coordinate ancillary service processes, including directory assistance, operator services, and 911. *Id.* ¶ 3.



**App. 15.**

**App. 11 (emphasis added).**

**App. 12 (emphasis added).**

**Indeed, BellSouth's documents make clear that**

**App. 13, p. 2.**

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<sup>6</sup> Under current number administration procedures, NXX codes (the first three digits in a seven digit telephone number) are reserved exclusively to individual LECs and CLECS.

*Id.*, p. 2.

However, BellSouth was unable or unwilling to dedicate sufficient resources to develop and implement the requisite systems and processes.

**C. Service Disruptions Experienced on ACSI's Initial Loop Orders in Columbus, Georgia**

At no time did BellSouth request ACSI to engage in joint testing of its order processing procedures. BellSouth Response to ACSI Interrogatory No. 11, App. 6. Nevertheless, prior to submitting orders for actual end users, ACSI on its own initiative conducted 15 tests of BellSouth's provisioning of Service Provider Number Portability ("SPNP") and one test of loop provisioning, all on BellSouth lines subscribed to ACSI. Renner Dec., ¶ 10. Each of these tests were completed satisfactorily. *Id.*<sup>7</sup> Numerous BellSouth personnel, including Lynn Smith, Barbara Jean, and Paula Murphy, were aware that these tests were being conducted.

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<sup>7</sup> For example, cutover of the test order to ACSI (including coordination of SPNP) was achieved on November 22, 1996 in less than one hour. *Id.*, Attachment A.

Encouraged by these results, ACSI launched its first switched local exchange service offerings in Columbus, Georgia in November 1996. But ACSI was terribly misled by the test results. From the outset, loop installations ordered by ACSI were delayed unreasonably or caused customers to lose service. The problems were typified by ACSI's experience with its first three loop orders submitted to BellSouth. The affected customers on these orders were Corporate Center, Jefferson Pilot and Mutual Life Insurance Company.

Corporate Center: On October 29, 1996, ACSI submitted a request that BellSouth assign this line to ACSI in its LIDB database. Renner Dec. ¶ 11 (and Attachment A thereto). An ASR to provision an unbundled loop to ACSI for serving this customer was submitted on November 25, 1996. *Id.* BellSouth confirmed the requested due date of November 27, 1996, and attempted to cut over the customer at that time. *Id.*, *see also* BellSouth Response to ACSI Interrogatory No. 16. BellSouth's initial attempt to provision an unbundled loop to ACSI failed on November 27, 1996, causing the customer to be disconnected from all local services for over 24 hours. *Id.* ¶ 13. The customer was returned to BellSouth local exchange service on November 28, 1996, and the due date for loop provisioning to ACSI rescheduled. *Id.* Ultimately, BellSouth re-attempted installation on January 7, 1997, and the cutover occurred in less than one hour. *Id.* at Attachment A.

Jefferson Pilot: On November 19, 1996, ACSI submitted a request that BellSouth assign this line to ACSI in its LIDB database. Renner Dec. ¶ 11 (and Attachment A thereto). An ASR to provision an unbundled loop to ACSI for serving this customer was submitted on November 20, 1996. *Id.* BellSouth confirmed the requested due date of November 27, 1996, and attempted to cut over the customer at that time. *Id.*, *see also* BellSouth Response to ACSI Interrogatory No. 16. During BellSouth's attempt to provision

an unbundled loop to ACSI on this date, however, the customer was disconnected for approximately 4-5 hours. *Id.* ¶ 13. When the unbundled loop order was implemented and ACSI began provisioning local exchange service to the customer, however, it was discovered that BellSouth failed to implement ACSI's order for SPNP on this line. *Id.* Calls placed to the customer's old (BellSouth) telephone number were not being routed to the new (ACSI) number. As a result, the customer -- a business selling insurance services -- was able to place outgoing calls, but could not receive any incoming calls dialed to the customer's business number. Calls dialed to the old telephone number received a BellSouth intercept message stating that the number had been disconnected.

Mutual Life Insurance Company: On November 19, 1996, ACSI submitted a request that BellSouth assign this line to ACSI in its LIDB database. Renner Dec. ¶ 11 (and Attachment A thereto). An ASR to provision an unbundled loop to ACSI for serving this customer was submitted on November 20, 1996. *Id.* BellSouth confirmed the requested due date of November 27, 1996, and attempted to cut over the customer at that time. *Id.*, see also BellSouth Response to ACSI Interrogatory No. 16, App. 6. During BellSouth's attempt to provision an unbundled loop to ACSI on this date, the customer was disconnected for approximately 6-7 hours. *Id.* ¶ 13. As with Jefferson Pilot, after the unbundled loop order was implemented, it was discovered that BellSouth failed to implement ACSI's order for SPNP. *Id.* Thus, Mutual Life also was unable to receive calls placed to its old telephone number, and callers instead received an intercept message stating that the number had been disconnected.

A week following ACSI's disastrous experience on November 27, 1996, BellSouth attempted to provision additional unbundled loop orders submitted by ACSI. These

additional orders replicated ACSI's initial experiences, with lengthy service disruptions and delayed installation of simple loops. These additional problems affected ACSI customers Joseph Wiley, Jr., Cullen & Associates, and Carrie G. Chandler.

Joseph Wiley, Jr.: This order was initially submitted as a LIDB storage request on November 19, 1996 and an ASR was submitted on December 2, 1996. Service was requested to be installed on December 4, 1996, and BellSouth confirmed the requested due date and time. Renner Dec. ¶ 14. On December 4, 1996, the customer experienced multiple disruptions in his BellSouth service, which continued through December 5, 1996. BellSouth was unable on this attempt to establish service through the use of unbundled local loops. Ultimately, an unbundled loop was not provisioned until January 3, 1997. *Id.* at Attachment A.

Cullen & Associates: This order was initially submitted as a LIDB storage request on November 19, 1996 and an ASR was submitted on December 2, 1996. Renner Dec. ¶ 14. Service was requested to be installed on December 4, 1996, and BellSouth confirmed the requested due date and time. *Id.* On December 4, 1996, the customer experienced multiple disruptions in its BellSouth service, and BellSouth's initial cutover attempt ended without establishing service through unbundled loops. Ultimately, an unbundled loops was not provisioned until December 23, 1996. *Id.* at Attachment A.

Carrie G. Chandler: This order was initially submitted as a LIDB storage request on November 19, 1996 and an ASR was submitted on December 2, 1996. Renner Dec. ¶ 14. Service was requested to be installed on December 5, 1996, and BellSouth confirmed the requested due date and time. *Id.* On December 5, 1996, the customer experienced multiple

disruptions in its BellSouth service, which were unexplained. BellSouth did not successfully install an unbundled loop until January 7, 1997.

Columbus, Georgia is a relatively small (approximate population 150,000)<sup>8</sup> and close-knit community. This litany of service failures quickly threatened to permanently poison ACSI's business reputation for being able to provide high quality local telecommunications services. Renner Dec. ¶ 15. Faced with the prospect of such permanent injury, ACSI was forced to suspend the submission of unbundled loop orders until it could be comfortable that BellSouth's provisioning problems were rectified, despite the fact that ACSI had invested heavily in constructing a competitive local exchange network and deploying a sales force. *Id.* Therefore, on or about December 4, 1996, ACSI informed BellSouth of its specific concerns arising from these provisioning failures and instructed it to place all of its pending orders on hold until the problems could be rectified. *Id.*

#### **D. Additional Service Disruptions Experienced by ACSI and its Customers**

Unfortunately, additional experience with BellSouth has demonstrated that the severe service disruptions described above are not isolated instances or evidence of a past problem that has been rectified. ACSI continues to experience service quality deficiencies and unexplained outages on lines provisioned by BellSouth to ACSI. Even after ACSI filed the Complaint, and at a time when BellSouth claims that it was "successfully" providing unbundled loops to ACSI, BellSouth continued to cause service disconnections for ACSI customers. For example, ACSI has complained to BellSouth of several recent instances in

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<sup>8</sup> This does not include Fort Benning.

which BellSouth disconnected the following ACSI customers without warning and without explanation. Three of ACSI's customers suffered unexplained service disconnection in February 1997. Stipe Direct Testimony (Ga. PSC Docket No. 7212-U), App. 2. These three disconnected customers were Country's Barbecue, Jefferson Pilot and Columbus Tire.<sup>9</sup>

Country's Barbecue: Country's Barbecue is a restaurant with a total of five locations in Columbus, Georgia. The owner of Country's Barbecue is an active member of the Chamber of Commerce and a highly visible citizen in the Columbus, Georgia community. On Friday, February 21, 1997, just prior to the busy dinner hour, service to Country's Barbecue was disconnected without warning or explanation. *Id.* Service was disconnected at all five locations for approximately two hours. *Id.* Shortly after this disconnection, the customer terminated service with ACSI and returned to BellSouth as its LEC.

Jefferson Pilot: Service to this customer, which also suffered disruptions during its initial loop installation, was disconnected on the evening of Friday, February 21, 1997. *Id.* Again, neither ACSI nor the customer received any warning that the disruption would occur, nor were they given any explanation at the time as to the cause of the problem. This disconnection was particularly disruptive to the customer because Jefferson Pilot regularly receives faxes from its home office on Friday evenings. *Id.* This disconnection prevented Jefferson Pilot from receiving such faxes and significantly disrupted its business. *Id.* The following week, Jefferson Pilot terminated service with ACSI and returned to BellSouth as its LEC. *Id.*

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<sup>9</sup> Country's Barbecue and Columbus Tire were not named in the initial complaint and, thus, are not included in ACSI's claim for damages. However, their experience is offered as evidence that the provisioning problems discussed herein have not been rectified.

Columbus Tire: This customer had its service disconnected on February 24, 1997.

Service was disconnected in the late afternoon and was down for almost an hour. *Id.*

\* \* \*

Each of those problems has caused ACSI to lose revenue due to delayed installation, or the loss of the customer involved. Even more disturbingly, the recurring pattern of service deficiencies has caused severe damage to ACSI's business reputation in the community. These circumstances have denied ACSI the opportunity to recover its investment in its local switched services network in Columbus, Georgia.

**E. The Inability of BellSouth's LCSCs to Process Unbundled Loop Orders**

ACSI's unbundled loop orders are submitted to and processed at a centralized facility known as the Local Carrier Service Centers ("LCSC").

*Each item is a  
direct quotation taken from*



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## **F. ACSI's Formal Complaint Against BellSouth**

On January 6, 1997, ACSI filed a formal complaint before this Commission regarding the events described above. ACSI contends that BellSouth violated Section 251 of the Communications Act, and the Interconnection Agreement by its failure to provision unbundled loops timely and without disruption. ACSI requested that BellSouth be ordered to comply immediately with the Agreement, and requested an award of monetary damages, attorneys' fees, and other costs.

ACSI also filed an action under state and federal law stating similar causes of action before the Georgia PSC on December 23, 1996. The Georgia PSC has jurisdiction to hear the claims ACSI raised in that complaint. The Georgia PSC complaint does not request an award for damages, and is limited in terms of remedies to the State of Georgia. Other than the Georgia PSC action, no other suits have been filed before any other governmental agency or court stating the same or similar causes of action.

## **II. STATEMENT OF RELEVANT LAW**

### **A. Legal Standard**

A principal objective of the 1996 Act was to open the local exchange and exchange access markets to competition. *See Interconnection Order*<sup>10</sup> ¶ 6. Section 251(c)(3) of the 1996 Act implements that goal by requiring incumbent LECs to provide requesting carriers

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<sup>10</sup> *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, First Report and Order, 11 FCC Rcd 15499 (1996) (*Interconnection Order*), Order on Reconsideration, CC Docket No. 96-98, 11 FCC Rcd 13042 (1996) (*Reconsideration Order*), petition for review pending and partial stay granted, sub nom. *Iowa Utilities Board et al. v. FCC*, No. 96-3321 and consolidated cases (8th Cir., Oct. 15, 1996), partial stay lifted in part, *Iowa Utilities Board et al. v. FCC*, No. 96-3321 and consolidated cases (8th Cir., Nov. 1, 1996).

"nondiscriminatory access to network elements on an unbundled basis . . . on rates, terms, and conditions that are just, reasonable and nondiscriminatory." 47 U.S.C. § 251(c)(3). In addition, Section 251(c)(2) of the 1996 Act requires incumbent LECs to provide interconnection to their networks that "is at least equal in quality to that provided by the local exchange carrier to itself" and on "rates, terms and conditions that are just, reasonable and nondiscriminatory". 47 U.S.C. § 251(c)(2). Section 201(b) of the Act requires that the practices of common carriers be "just and reasonable". 47 U.S.C. § 201(b).

Moreover, Section 51.313(b) of the Commission's rules requires that "the terms and conditions pursuant to which an incumbent LEC offers to provide access to unbundled network elements, *including . . . the time within which the incumbent LEC provisions such access to unbundled network elements*, shall, at a minimum, be no less favorable to the requesting carrier than the terms and conditions under which the incumbent LEC provides such elements to itself." 47 C.F.R. § 51.319(b) (emphasis added). In addition, incumbent LECs must provide other carriers with access to the pre-ordering, ordering, provisioning, maintenance and repair operations support systems as required to facilitate provisioning of network elements at parity. *Id.* § 51.313(c). Notably, the "local loop" is specifically identified in the Commission's rules as a network element which must be unbundled and made available in accordance with the foregoing standards. *Id.* § 51.319(a); *see generally*, *Interconnection Order* ¶¶ 367-96.

#### **B. Jurisdiction**

Section 208 grants the FCC jurisdiction over complaints concerning "anything done or omitted to be done by a common carrier . . . in contravention of the provisions of [the Act]." 47 U.S.C. § 208. This jurisdiction clearly includes (as BellSouth admits, Answer

¶ 23) actions that violate an incumbent LEC's duties under Section 251(c). Indeed, the Commission already has concluded that it has jurisdiction to hear complaints concerning the types of activities alleged by ACSI. *Interconnection Order* ¶ 127 (allegations that a carrier is violating the terms of a negotiated agreement), 143 (bad faith negotiations).

### **III. BELLSOUTH FAILED TO FULFILL ACSI'S LOOP ORDERS IN ACCORDANCE WITH THE ACT AND THE INTERCONNECTION AGREEMENT**

#### **A. BellSouth Was Completely Unprepared to Meet its Obligations Under the Agreement and Made No Attempt to Coordinate a Seamless Cutover for ACSI Local Service Customers**

The Act and the Commission's rules require BellSouth to provision unbundled loops to ACSI at parity with its own local service provisioning. 47 U.S.C. § 251(c)(3); 47 C.F.R. § 51.313(b). In addition, BellSouth is obligated by the Act (and contract law) to fulfill the terms and conditions it agreed to in the parties' Interconnection Agreement. The Interconnection Agreement's standards for loop cutovers are clear. BellSouth will install orders for unbundled network elements (including unbundled loops) in a timeframe equivalent to that which applies when BellSouth provides local services to its own customers. Section IV.D.1. If SPNP also is ordered as part of an unbundled loop installation, BellSouth will coordinate the installation of SPNP to coincide with the loop installation. Section IV.D.8. In addition, the actual process of the cutover is intended to be seamless to the customer. The parties will agree on a 30-minute window during which the cutover will start, and the standard time expected for affected customers to be out-of-service during a cutover is 5 minutes. Sections IV.D.3, IV.D.6.

When the time came for BellSouth to deliver on these promises, it utterly failed to do so. ACSI was forced to bear the brunt of

Due largely to

BellSouth's admitted failure to coordinate customers with ACSI (Answer ¶ 11), Corporate Center was put out of service for over 24 hours. Jefferson Pilot was disconnected for approximately 4-5 hours. Mutual Life was left without service for 6-7 hours. *Supra* pp. 13-15. Indeed, of the three orders BellSouth attempted to provision on November 27, 1996, the *shortest* time period in which it accomplished a loop cutover was 4-5 hours – over 48 times longer than the 5-minute interval required by the Agreement. Similar lengthy service outages resulted from failed BellSouth attempts to provision unbundled loops to three additional customer a week later: Joseph Wiley, Jr.; Cullen & Associates; and, Carrie G. Chandler. *Supra* pp. 15-16. In retrospect, this is not surprising since,

Even when BellSouth finally installed unbundled loops for ACSI's initial customers, it frequently failed to coordinate ACSI's request for SPNP to coincide with the loop cutover. As a result, when Jefferson Pilot and Mutual Life finally had their access to local service for outbound calling restored, they still could not receive incoming calls from the public. Instead, persons calling the ACSI customers' old (BellSouth) telephone numbers received a message stating that the line had been disconnected. *Supra* pp. 13-15.

In still other instances, unbundled loops were installed with seeming success, only to have service suddenly disconnected without warning. During February 1997, all five locations of Country's Barbecue were disconnected for approximately two hours. Jefferson Pilot and Columbus Tire experienced similar service outages. *Supra* pp. 17-18. ACSI believes that these instances are the inevitable outgrowth of BellSouth's

Unfortunately for ACSI, the company fell victim to a shocking failure by BellSouth to prepare to honor its legal obligation to provide unbundled loops to competitors. Despite the fact that the 1996 Act was signed into law on February 8, 1996; that the Interconnection Agreement was signed on July 25, 1996; and that numerous implementation discussions between the parties were held between August and October, 1996; when ACSI actually submitted its first loop orders in November 1996, BellSouth had no systems in place to ensure timely, error-free installations. Indeed,

Documents obtained during discovery now make clear that



In short,  
BellSouth did not take its order processing obligations seriously, and did not dedicate the resources required to do the job right.

This is not a case where BellSouth was unaware of the magnitude of its obligations. From the outset

It simply was unable or unwilling to devote the resources necessary to achieve these goals,

Judged by BellSouth's own definition of success, BellSouth failed miserably.

#### **B. ACSI is Not at Fault for BellSouth's Failures**

BellSouth seeks to divert attention from its own failures by blaming ACSI for actions which BellSouth alleges contributed directly and foreseeably to the service disruptions. Specifically, BellSouth claims that ACSI's orders were unclear and frequently supplemented, that ACSI refused to engage in joint testing of ordering procedures, and that BellSouth had to correct an alleged "stenciling" problem on ACSI's collocation equipment. Despite BellSouth's attempted blame-shifting, ACSI is not the cause of BellSouth's inability to provision unbundled loops and meet its obligations under the Act and the Interconnection Agreement. As described above, the facts show that BellSouth negligently or willfully failed